

# Office of Legislative Auditor

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## Department of Social Services:

### Office of Family Support - Client Services Program



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Louisiana Revised Statute 39:87.3 requires the legislative auditor to provide an assessment of those agencies that are deficient in their capacity to execute the requirements relative to the production of performance progress reports to the Joint Legislative Committee on the Budget. This report gives the results of our examination of selected performance data reported for the Client Services Program in the Office of Family Support within the Department of Social Services for the fiscal year 2002.

The significant findings included in this report are as follows:

- The performance indicators we reviewed are valid.
- The reported values of three of the 12 performance indicators we reviewed are unreliable. For two of these, the Office of Family Support reports the standard instead of the actual value. For the other unreliable performance indicator, calculation errors and incomplete information make the performance indicator unreliable.
- Errors were made in the calculations of an additional four performance indicators. However, the corrected values are not significantly different from the reported values and are therefore considered reliable.

Sincerely,

Daniel G. Kyle, Ph.D., CPA, CFE  
Legislative Auditor

## Background

The mission of the **Client Services Program** within the Office of Family Support (OFS) is to help people meet basic needs and move toward self-sufficiency through the provision of direct services to applicants for, and recipients of, benefits under the many federally funded programs administered by OFS. A total of \$519,217,541 was expended by OFS in fiscal year 2002 (excluding Food Stamp payments). OFS had a total of 2,801 employees as of June 30, 2002.

This review focused on the performance indicators related to the core programs within the federal Temporary Assistance for Needy Families (TANF) Program. In Louisiana, core TANF programs include the Family Independence Temporary Assistance Program (FITAP) and the Family Independence Work (FIND Work) Program. Exhibit 1 on page 3 shows the two objectives and 12 performance indicators for these programs for fiscal year 2002.

## Validity

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### **Are the performance indicators valid?**

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We determined that all of the TANF-related performance indicators for the Client Services Program are valid. The validity of a performance indicator is determined by whether it is suitable for its intended use. Factors we used to gauge the validity of a performance indicator include whether it is relevant to the missions, goals, and objectives of the program and whether it can be linked to a major function of the program.

## Management Controls & Reliability

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### **Do the management controls offer assurance that the reported performance indicator values are reliable?**

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We found that five of the 12 performance indicators we reviewed were accurately calculated and are reliable. We found three performance indicators with reported values that are unreliable. For the remaining four performance indicators, we found errors in the calculations performed by OFS staff. However, the corrected values for these performance indicators were not significantly different from the values reported in the Louisiana Performance Accountability System (LaPAS). Therefore, we consider these four performance indicators reliable. Weaknesses in the management controls used by OFS to collect, process, and report the unreliable and erroneous performance indicator values have allowed errors to occur.

Management controls include policies and procedures that management has implemented to ensure data are accurate. We reviewed controls over the input, processing and review of the data used to compile the values of the TANF-related performance indicators for the Client Services Program. In general, we found that while written policies and procedures exist for the input of data into the relevant OFS computer systems, no

written policies and procedures exist for compiling and processing the information obtained from the computer systems and reported in LaPAS. In addition, little, if any, review of the manual data processing and calculations is performed by OFS staff in developing the performance indicator values reported. These control weaknesses allowed the following specific errors to occur.

#### ***Unreliable Performance Indicators***

Two of the three unreliable performance indicators are associated with objective 1 on page 3 and are as follows:

- *Average processing time (in days)*
- *Average length of time on FITAP without exemptions (in months)*

OFS does not calculate values for these performance indicators. The 30 days reported for the first indicator is simply the standard OFS has for the processing of applications. Similarly, the 24 months reported for the second indicator is the maximum period allowed by state regulation. These indicators have constant values and are not averages over a specific time period, as their names would suggest.

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The third unreliable performance indicator is related to objective 2 on page 3.

- *FITAP cases closed due to employment*

This indicator uses data gathered manually from parish offices and tabulated at the regional and state level. OFS was unable to supply complete source documentation for our review. However, we found errors in 13 of the 91 tabulations we were able to review. Without complete information we are unable to determine the correct value, but the significant number of errors we found in the data we reviewed indicates that the reported value is unreliable.

**Exhibit 1**  
**Department of Social Services:**  
**Office of Family Support - Client Services Program**  
**Objectives and Performance Indicators**  
**Fiscal Year 2002**

| <b>Objectives</b>  | <b>Performance Indicators</b>   | <b>Target</b> | <b>Value Reported</b> |
|--|---|---------------|-----------------------|
| 1. To provide Family Independence Temporary Assistance Program (FITAP) regular benefits to an estimated caseload of 30,000   | • <b>Percentage of redeterminations within time frames</b>              | 100%          | 99.9% *               |
|  | • <b>Percentage of applications processed within time frames</b>        | 100%          | 99.7% *               |
|  | • Average processing time (in days)                                     | 30            | 30                    |
|  | • <b>Average number of monthly cases in FITAP</b>                       | 28,676        | 24,964*               |
|  | • Number of FITAP applications received                                 | 60,000        | 60,798*               |
|  | • Number of reconsiderations for FITAP                                  | 30,000        | 18,068*               |
|  | • <b>Average length of time on FITAP without exemptions (in months)</b> | 24            | 24                    |
| 2. To achieve an overall participation rate of 45% and a two-parent family participation rate of 60% as defined by federal regulations in the Family Independence Work Program (FIND Work Program) | • <b>FIND Work overall participation rate</b>                           | 45%           | 47.8% *               |
|  | • <b>FIND Work two-parent participation rate</b>                        | 60%           | 65%*                  |
|  | • <b>FITAP cases closed due to employment</b>                           | 4,000         | 2,889                 |
|  | • <b>Average number of FIND Work participants (monthly)</b>             | 6,000         | 5,528*                |
|  | • <b>Monthly administrative cost per participant</b>                    | \$250         | \$225*                |

**Note:** Key performance indicators are shown in **bold**. An asterick indicates we found that the reported value is reliable.

**Source:** Prepared by legislative auditor staff using data obtained from LaPAS.

***Reliable Performance Indicators  
With Minor Errors***

One of the four performance indicators that had errors in its calculations that would lead to minor changes in its reported value is associated with objective 1.

- *Percentage of applications processed within time frames*

To calculate this value, OFS first determines the number of applications that were not processed within the 30-day time frame and the total number of applications processed. It then uses

this information to calculate the percentage of applications processed within the time frame.

We found that OFS did not include all processed applications in its total applications count. OFS includes applications received and processed within the same month but does not include applications received in one month but processed in subsequent months. Counts for the omitted applications processed were not readily available. Therefore, we were unable to calculate a corrected value. However, because the percentage of applications processed within the time frame would be larger if the omitted

applications were included in the total and since the reported value was 99.7%, the correct value must be within 0.3% of the reported value.

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Three of the performance indicators with calculation errors leading to minor changes in the reported values are associated with objective 2 on page 3 and are as follows:

- *FIND Work overall participation rate*
- *FIND Work two-parent participation rate*
- *Monthly administrative cost per participant*

For the first two of these performance indicators, data from the federal fiscal year was used rather than the state fiscal year. The FIND Work overall participation rate was 46.9% rather than the 47.8% reported. The FIND Work two-parent participation rate was 64.0% rather than the 65.0% reported.

For the monthly administrative cost per participant indicator, the first 11 months of the state fiscal year were used in the calculation rather than the complete year. The correct value

using all 12 months worth of data is \$228 rather than the \$225 reported. Adjustments to internal OFS deadlines for calculating this performance indicator should allow all 12 months to be used in future calculations.

## Other Matters

**The term “participation” or “participant” in four of the performance indicator names has different meanings.** “Participation” as defined in the FIND Work overall participation rate and the FIND Work two-parent participation rate performance indicators includes only FIND Work participants who have met the minimum standards for participation in the program defined in federal regulations. These standards include, for example, a minimum number of hours of work. “Participant” as defined in the average number of FIND Work participants (monthly) and the monthly administrative cost per participant performance indicators includes all FIND Work participants with any documented amount of work-related activity regardless of whether or not the amount meets the federal minimums.

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### Need more information?

Contact Dan Kyle, Louisiana Legislative Auditor, at (225) 339-3800.

A copy of this report is available on our Web site at [www.lla.state.la.us](http://www.lla.state.la.us).

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